

Quarterly Investment Report



For the Period Ending
May 31, 2005

Prepared by
Comptroller Department
(revised 7-5-2005)

JOHN COOK
MAYOR

Joyce Wilson
CITY MANAGER

CARMEN ARRIETA-CANDELARIA
COMPTROLLER



CITY COUNCIL
ANN MORGAN LILLY, DISTRICT 1
SUSANNAH M. BYRD, DISTRICT 2
J. ALEXANDRO LOZANO, DISTRICT 3
MELINA CASTRO, DISTRICT 4
PRESI ORTEGA, JR., DISTRICT 5
EDDIE HOLGUIN JR., DISTRICT 6
STEVE ORTEGA, DISTRICT 7
BETO O'ROURKE, DISTRICT 8

COMPTROLLER'S DEPARTMENT

June 14, 2005

To: Joyce Wilson, City Manager
Through: William Studer, Deputy City Manager
From: Carmen Arrieta-Candelaria, Comptroller
Blanca B. Lorkowski, Treasury Services Manager
Subject: Quarterly Investment Report for the Period Ending May 31, 2005

Submitted for your review and acceptance is the City of El Paso third quarter investment report including documentation of investments held and evaluation of investment performance. The investment officers have complied with the Public Funds Investment Act, the City's Investment Policy, and adopted Investment Strategies. All funds were invested to meet cash flow requirements for operations, capital projects, and debt service payments.

During this quarter, the City bid no investments. The investments were made to satisfy portfolio diversity requirements. The remaining cash available was placed into investment pools in order to take advantage of superior yields in the pools compared to the yields of investments currently available. The five investment pools used by the City – TexStar, TexPool, Logic, Wells Fargo and MBIA – yielded 3.005% for the quarter ended May 31, 2005.

The following is a summary comparison of selected information as of February 28, 2005 and May 31, 2005:

	3 rd Quarter 2005 May 31, 2005	2 nd Quarter 2005 February 28, 2005
Principal Invested	\$188,540,617.55	\$150,181,881.72
Portfolio Book Value	\$188,319,259.22	\$149,917,943.05
Portfolio Fair Value	\$188,540,617.55	\$150,181,739.78
Weighted Average Maturity	14 Days	23 Days

COMPTROLLER DEPARTMENT
Two Civic Center Plaza • El Paso, Texas 79901-1196 • (915) 541-4435 • FAX (915) 541-4446

El Paso
Make History on the Texas Border

The yields on portfolio investments and representative market securities are:

	<u>May 31, 2005</u>
Investment Pools	2.940%
U. S. Agency Securities	2.530%
Average 3-month T-bill Rate	2.935%
Average 6-month T-bill Rate	3.080%
Average 6-month CD Rate	3.500%
City Average Portfolio Yield	2.890%

Attached are additional charts and tables portraying the City's portfolio and summarized reports of portfolio position required by the Texas Public Funds Investment Act.

The change in the average portfolio yield for the quarter was 75 basis points higher at the end of quarter compared to the beginning of the quarter. This increase is due to the increase in the yields of the investment market in general. The City's current average portfolio yield was lower than the 3-month T-bill rate by 4.5 basis points.

Cc: Mayor John Cook and Council Members

ATTACHMENTS:

- Chart - City Portfolio by Investment Type
- Chart - Portfolio Maturity
- Chart - Treasury Benchmark Yield Analysis
- Chart - Portfolio Performance Comparison
- Report - Total Return
- Report - Texas Compliance Summary
- Report - Texas Compliance Details

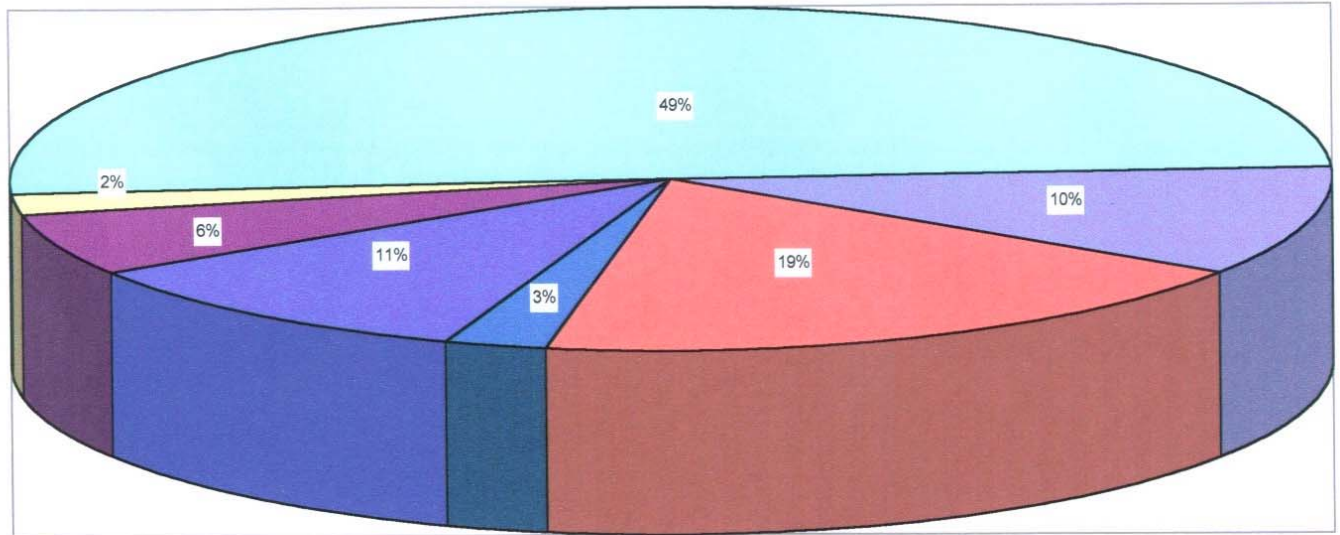
BBL \ quarterly report -May 31, 2005

COMPTROLLER DEPARTMENT

Two Civic Center Plaza • El Paso, Texas 79901-1196 • (915) 541-4435 • FAX (915) 541-4446

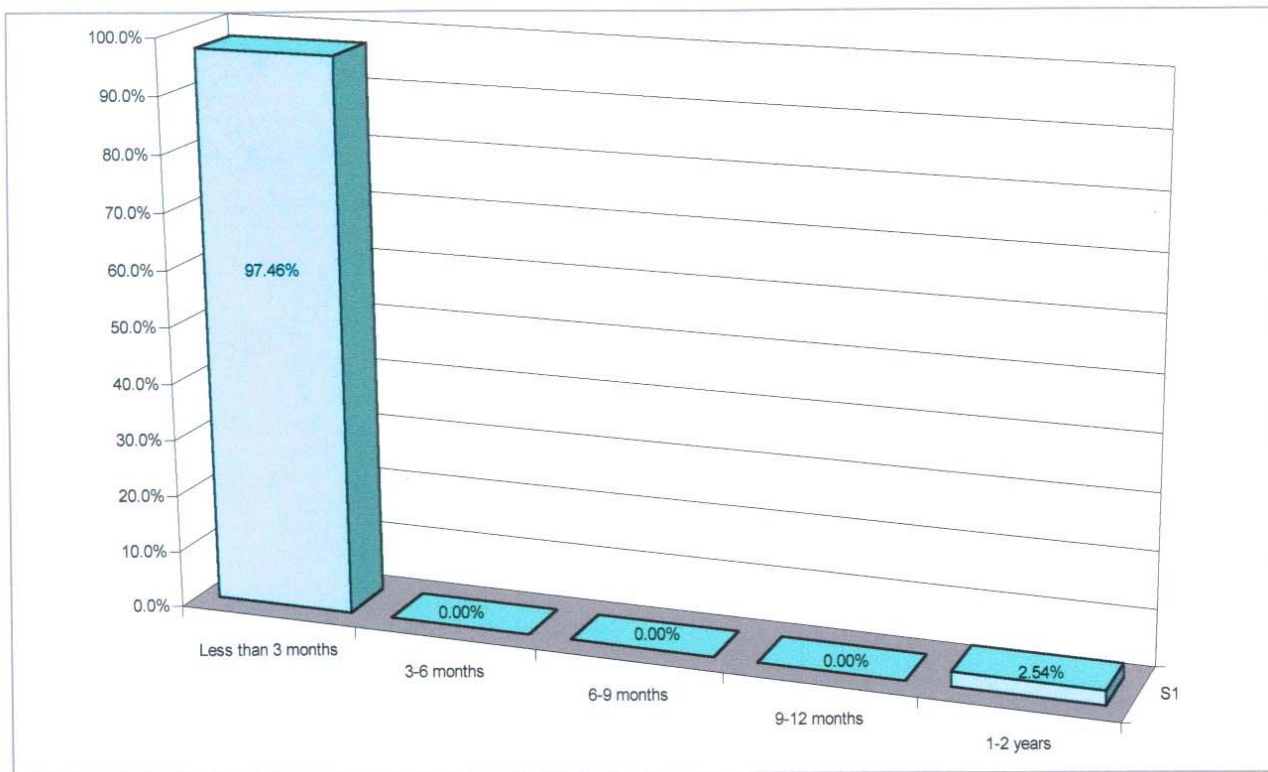


City Portfolio by Investment Type
As of May 31, 2005

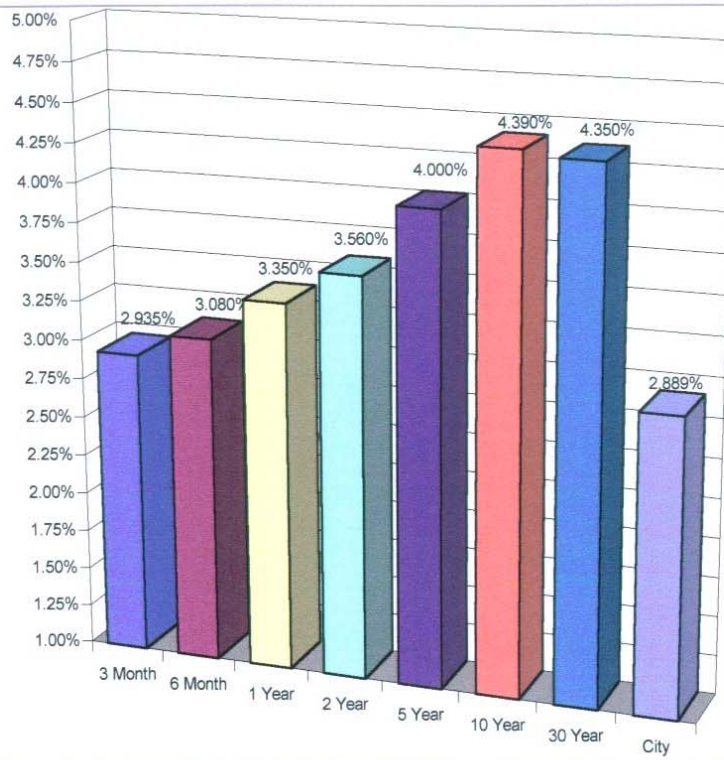


- MBIA
- Wells Fargo-City
- Wells Fargo-PFC
- Logic Investment Pool
- Texpool Investment Pool
- Textstar Investment Pool
- Agency Notes

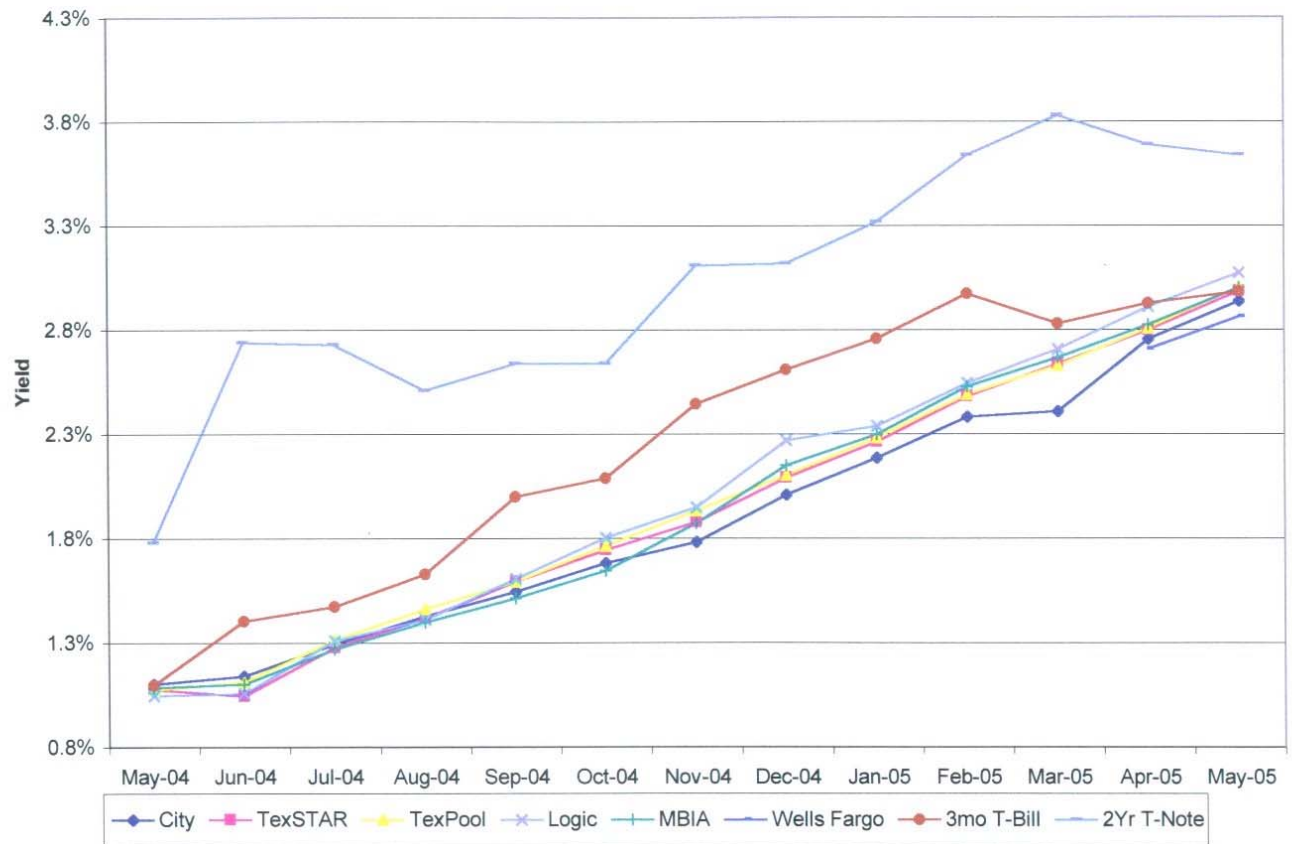
Portfolio Maturity
As of May 31, 2005



Treasury Benchmark Yield Analysis
As of May 31, 2005



Portfolio Performance Comparison for the Period May 2004 through May 2005





City_of_El_Paso_2005
Total Return
May 1, 2005 - May 31, 2005
Yield on Time Weighted Value

City of El Paso

CUSIP	Investment #	Fund	Investment Class	Beginning Invested Value	Time Weighted Invested Value	Ending Invested Value	Maturity Date	Current Rate	Total Return	Investment Income		
										Interest Earned	Adjustment in Value	Net Investment Income
Issuer: Federal Home Loan Bank												
3134A4TR5	515000039	01	Amortized	5,000,247.64	2,258,176.35	0.00	05/15/2005	1.750	1.645	3,402.78	-247.64	3,155.14
3133X92A7	5110000044	01	Amortized	4,765,595.84	4,765,595.84	4,778,641.67	11/09/2006	3.030	3.223	0.00	13,045.83	13,045.83
			Subtotal	9,765,843.48	7,023,772.19	4,778,641.67			2.716	3,402.78	12,798.19	16,200.97
Issuer: Logic Investment Pool												
746000749	5010000007	01	Amortized	94,583,378.44	94,805,902.39	94,805,902.39		2.862	3.026	243,630.31	0.00	243,630.31
	5010000008	01	Amortized	0.00	0.00	0.00				0.00	0.00	0.00
			Subtotal	94,583,378.44	94,805,902.39	94,805,902.39			3.026	243,630.31	0.00	243,630.31
Issuer: MUNICIPAL INVESTORS SVC CORP.												
TX0103050001	501000007	01	Amortized	22,435,772.78	19,550,638.68	20,002,251.58		2.940	2.946	48,910.46	0.00	48,910.46
			Subtotal	22,435,772.78	19,550,638.68	20,002,251.58			2.946	48,910.46	0.00	48,910.46
Issuer: TEXPOOL Investment Pool												
071031111000	5020000007	01	Amortized	18,980,317.85	19,023,360.25	19,023,360.25		2.759	2.956	47,764.82	0.00	47,764.82
			Subtotal	18,980,317.85	19,023,360.25	19,023,360.25			2.956	47,764.82	0.00	47,764.82
Issuer: Texstar												
746000749	5030000007	01	Amortized	34,974,613.00	35,053,652.09	35,053,652.09		2.749	2.937	87,450.59	0.00	87,450.59
			Subtotal	34,974,613.00	35,053,652.09	35,053,652.09			2.937	87,450.59	0.00	87,450.59
Issuer: Vista Investment Pool												
608352	5060000007	01	Amortized	0.00	0.00	0.00		0.836		0.00	0.00	0.00
332150	5060000008	02	Amortized	0.00	0.00	0.00		2.350		0.00	0.00	0.00
			Subtotal	0.00	0.00	0.00				0.00	0.00	0.00
Issuer: WELLS FARGO GOVERNMENT MMF INS												
12826111	5060000010	01	Amortized	2,500,000.00	4,053,111.55	11,004,724.45		2.806	2.806	9,660.99	0.00	9,660.99
12828893	5060000009	02	Amortized	3,293,892.08	3,560,404.21	3,650,726.79		2.800	2.795	8,452.28	0.00	8,452.28
			Subtotal	5,793,892.08	7,613,515.76	14,655,451.24			2.801	18,113.27	0.00	18,113.27

Portfolio 2002

AC

Run Date: 06/06/2005 - 15:57

GA (PRF_GA) SymRept V5.02d

City_of_El_Paso_2005
Total Return
May 1, 2005 - May 31, 2005

CUSIP	Investment #	Fund	Investment Class	Beginning Invested Value	Time Weighted Invested Value	Ending Invested Value	Maturity Date	Current Rate	Total Return	Investment Income		
										Interest Earned	Adjustment in Value	Net Investment Income
			Total	186,533,817.63	183,070,841.36	188,319,259.22			2.972	449,272.23	12,798.19	462,070.42
						Components of Return:		Interest:	2.889			
								Amortization:	0.082			
								Market Value:				



City_of_El_Paso_2005
Texas Compliance Summary
Sorted by Investment Class
March 1, 2005 - May 31, 2005

City of El Paso

Investment Class			Par Value	Market Value	Book Value	Accrued Interest
Amortized Cost	Value beginning	03/01/2005	150,181,881.72	150,181,739.78	149,917,943.05	5,035,454.12
	Net Change		38,358,735.83	23,849,981.04	38,401,316.17	75,672.86
	Value ending	05/31/2005	188,540,617.55	174,031,720.82	188,319,259.22	5,111,126.98
Total	Value beginning	03/01/2005	150,181,881.72	150,181,739.78	149,917,943.05	5,035,454.12
	Net Change		38,358,735.83	23,849,981.04	38,401,316.17	75,672.86
	Value ending	05/31/2005	188,540,617.55	174,031,720.82	188,319,259.22	5,111,126.98

Run Date: 09/08/2005 - 15:54

Portfolio 2005
AC
CS (PRF_CS) SymRept V5.02d
Report Ver. 5.00



City_of_El_Paso_2005
Texas Compliance Details
Sorted by Investment Class
May 31, 2005

City of El Paso

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Investment Class: Amortized Cost												
746000749	5010000007	01	Logic Investment Pool	PA1	94,805,902.39			2.862	100.000	08/31/1999	94,805,902.39	94,805,902.39
071031111000	5020000007	01	TEXPOOL Investment Pool	PA1	19,023,360.25			2.759	100.000	05/31/2000	19,023,360.25	19,023,360.25
746000749	5030000007	01	Texstar	PA1	35,053,652.09			2.749	100.000	02/29/2004	35,053,652.09	35,053,652.09
TX0103050001	5010000007	01	MUNICIPAL INVESTORS SVC CORP.	PA1	20,002,251.58			2.940	100.000	01/31/2004	20,002,251.58	20,002,251.58
12826893	5060000009	02	WELLS FARGO GOVERNMENT MMF INS	PA1	3,650,726.79			2.800	100.000	03/09/2005	3,650,726.79	3,650,726.79
12826111	5060000010	01	WELLS FARGO GOVERNMENT MMF INS	PA1	11,004,724.45			2.806	100.000	04/05/2005	11,004,724.45	11,004,724.45
3133X92A7	5110000044	01	Federal Home Loan Bank	AFD	5,000,000.00	11/09/2006		3.030	100.000	11/09/2004	5,000,000.00	4,778,641.67
				Subtotal	188,540,617.55						188,540,617.55	188,319,259.22
				Total	188,540,617.55						188,540,617.55	188,319,259.22